2 April 1969

MEMORANDUM FOR THE RECORD

SUBJECT: S. 782 - Ervin Bill

1. On 1 April 1969 Senator Jack Miller (R., Iowa) introduced S. 1749 to provide for improved employee-management relations in the Federal service through a program of mediation and, ultimately, arbitration of grievances relating to working conditions.

2. "Appropriate exceptions" from the program are made for agencies having intelligence, investigative, or security functions. Section 7166 completely exempts the CIA, FBI, and the office of the President and authorizes the head of an agency performing " . . . intelligence, investigative, or security functions . . ." to exempt it from the application of the law in the interest of national security.

3. Extending the logic of S. 1749 to S. 782, it would appear that Senator Miller would also support "as appropriate" similar "exceptions" to the Ervin bill.

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[redacted]
Assistant Legislative Counsel

Att.

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OLC/LLM:rw (2 Apr 69)

I ask unanimous consent that the bill be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (1736) to reimburse the Ute Tribe of the Uintah and Ouray Reservation for tribal funds that were used to construct, operate, and maintain the Uintah Indian irrigation project, Utah, and for other purposes, introduced by Mr. Moss, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

S. 1736

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That the Secretary of the Interior is authorized to reimburse the Ute Indian Tribe of the Uintah and Ouray Reservation in Utah for tribal funds that have been used for the construction, operation, and maintenance of the Uintah Indian irrigation project, Utah, computed and adjusted as follows:

(a) With respect to construction charges, the tribal funds originally involved amounted to $920,112.74. From that sum there shall be deducted the amount of $275,864.25, which represents a reimbursement of tribal construction funds under a judgment of the United States Court of Claims for the portion of the construction costs chargeable against non-Indian lands. From the balance so calculated, there shall be deducted an amount equal to the construction charges against irrigable land (determined according to the approved designation of 1964) which were collected from the proceeds of sales of land and deposited in the tribal accounts. From the balance so calculated there shall be deducted $1,250, which represents the tribal funds used to purchase the following described lands, title to which was taken in the name of the United States and which hereafter shall be held by the United States in trust for the tribe:

West half southwest quarter southeast quarter southeast quarter section 18, township 1 south range 1 east, containing 5 acres;

South half southeast quarter northeast quarter northeast quarter section 36, township 1 south range 4 west, containing 5 acres;

Northeast quarter northeast quarter southwest quarter section 32, township 1 north range 1 west, containing 10 acres; and

Southwest quarter southwest quarter southwest quarter southwest quarter section 12, township 1 south range 4 west, containing 2.5 acres, all in Uinta special base and meridian, Utah.

The balance so calculated shall be increased by adding interest on the amounts that comprise the $920,112.74 from the end of the year in which each amount was originally used for the project to January 28, 1958, the date of the Court of Claims judgment, and interest from January 28, 1958, to the date of this Act on $920,112.74 adjusted by the deductions provided for in the foregoing provisions of this subsection.

(b) With respect to operation and maintenance charges, the tribal funds originally involved amounted to $529,828.20. From that sum there shall be deducted the amount of $158,856.17, which represents a reimbursement of tribal operation and maintenance funds under a judgment of the United States Court of Claims for the portion of the operation and maintenance costs chargeable against non-Indian lands. From the balance so calculated, there shall be deducted an amount equal to the operation and maintenance charges against irrigable land (determined according to the approved designation of 1964) which were collected from the proceeds of sales of land and other sources and deposited in the tribal accounts. The balance so calculated shall be increased by adding interest on the amounts that comprise the $529,828.20 from the end of the year in which each amount was originally used for the project to January 28, 1958, the date of the Court of Claims judgment, and interest on the amounts that comprise the balance calculated pursuant to the first three sentences of this subsection, from January 28, 1958, or the end of the year in which each amount was used for the project to the date of this Act.

SEC. 2. The Secretary of the Interior is authorized to reimburse Indians and former members of the Ute Indian Tribe of the Uintah and Ouray Reservation terminated by the Act of August 27, 1954 (68 Stat. 868) who sold project lands that were nonirrigable (determined according to the approved designation of 1964) for the construction, operation, and maintenance charges which were collected from the proceeds of such sales.

SEC. 3. Twenty-seven and one hundred sixty-two thousandths per cent (27.162%) of the sum determined to be due the tribe under section 1 hereof shall be paid by the Secretary of the Interior directly to the Ute Distribution Corporation, a Utah corporation organized pursuant to said Act of August 27, 1954, *supra*.

S. 1739—INTRODUCTION OF A BILL TO EXTEND THE HEALTH INSURANCE PROGRAM

Mr. GORE. Mr. President, in these times of drastic increases in the price level, it is imperative that appropriate steps be taken to protect those who are unable to protect themselves from the ravages of inflation. Particularly cruel hardships are being inflicted upon the elderly who are retired and subsisting on fixed and already inadequate incomes, as well as upon those whose earning power has become impaired for one reason or another. The Federal Government has a duty, it seems to me, to these citizens, especially to those who depend on social security for a major portion of their income.

Furthermore, the social security benefits package ought to be improved from time to time as we become more experienced in the administration of the various programs such as medicare, and when such improvements are financially feasible.

Today I introduced a bill which would make three major improvements in social security. These are not the only changes which should be made, but I do want to place these suggestions before the Senate and before the Finance Committee in order that they will be considered, along with others, when social security amendments are next reviewed. I hope such a review can take place before this session is too far advanced.

This bill I have just introduced would provide medicare for those who are for social security purposes permanently and totally disabled, regardless of age. The lack of such a provision constitutes a major gap in the medicare program, and one which we can and should now close. I have limited coverage to primary beneficiaries, feeling that we should enter this area one step at a time. Perhaps when the cost figures are all in and there has been a thorough examination of this proposal by the Finance Committee it will appear to be feasible to move ahead with a broader provision covering the dependents of primary beneficiaries. If such appears feasible, I shall support it.

The second major part of this bill would provide for increased cash benefits for social security beneficiaries, and would tie such benefits to a cost of living formula. The formula I have selected is a simple one. Using the first quarter of calendar year 1968 as the base period, benefits would be increased each calendar quarter by the same percentage the cost of living for that quarter had risen above the cost of living for the first quarter of 1968. Increases independent of the cost of living could still be voted as deemed desirable, and, of course, in the years ahead it might be necessary to move the base period forward. For the time being, however, and for any likely period of duration for the current wave of inflation, this formula should provide substantial relief and protection.

The third provision in this bill would allow those receiving social security benefits to earn up to $200 per month without any loss in benefits. This seems to me to be appropriate, particularly during times of rising prices and a high degree of utilization of trained manpower.

Mr. President, I again voice the hope that the Finance Committee will soon begin active consideration of social security amendments. I am sure other Senators have offered or will offer amendments which ought to be considered and perhaps adopted.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1739) to extend the health insurance program established by title XVIII of the Social Security Act to disabled workers who have not attained age 65 but are receiving disability insurance benefits under title II of the Social Security Act or the Railroad Retirement Act of 1937, and to amend title II of the Social Security Act to provide for cost-of-living adjustments in the benefits payable thereunder and to increase the annual amount individuals are permitted to earn without suffering deductions from the insurance benefits to which they are entitled thereunder, introduced by Mr. GORE, was received, read twice by its title, and referred to the Committee on Finance.

INTRODUCTION OF THE FEDERAL EMPLOYEE-LABOR MANAGEMENT ACT

Mr. MILLER. Mr. President, I introduce, for appropriate reference, a bill entitled "The Federal Employee-Labor Management Act" and ask unanimous consent that the bill be printed in the RECORD at the conclusion of my remarks. This is the same as the bill I introduced last year on this subject.

Mr. President, a growing restlessness among public employees has characterized the Federal sector the past few

years. The 3 million ederal civilian employees are active demanding rights enjoyed by other rkers in non-Government jobs.

The problem of icreasing employee demands, along wi increasing unionization, has caused ne top Government officials to become oncerned that the end result may not e in the public interest. Accordingly ome action by Congress to reconcile c nflicting interests is needed. The bill I introducing is designed to provide fo mproved employee-management relat ns in the Federal service.

Due to the confl between the right to strike on the pa t of employees and the public interes that governmental services not be inte upted, it is essential that Federal empl ees be provided a prompt and fair me od of settling their grievances, and my ill so provides in its statement of polic The statement of policy also provides hat the right of employees of the Fed al Government and the officers or repre entatives of a union or organization of mployees to present grievances without restraint, coercion, interference, intimi ation, or reprisal is recognized and en ouraged; and violation of this right the part of any administrative offici is contrary to the public interest.

One of the firs steps to improving Federal employee- anagement relations is for the Federa agencies to develop labor-management programs. Provision is made in my bill for the Secretary of Labor, with the pproval of the Civil Service Commissi , to promulgate rules and regulations be followed by the executive agencies in developing and administering la r-management programs. Also, the epartment of Labor, again with the pproval of the Civil Service Commissi , is to prepare standards of conduct f unions or organizations of Governm nt employees and a code of fair labor ractices in employee-management rela ons in the Federal service with a vie to securing uniform and effective polic s and procedures.

Arbitration of rievances exists now in many areas o Federal employment. But one observer has commented that "employers someti nes exclude certain issues from arbitra on, or view a decision only as advisory nd reject it." Arbitration, however, ca be time consuming, and costly. There re, all other efforts to settle grievances should be exhausted first. That is why provide in the grievance procedure t forth in my bill for the invocation by either party to a dispute of the servic of the Federal Mediation and Conciliation Service.

If the efforts f the Service are not fruitful, then a rty to the controversy can invoke the vices of a labor-management relation s panel. This panel would consist three members: one nominated by th union or organization of Government nployees; or, if an aggrieved employee s not a member of such union or organ ation, then one nominated by him; e member representing the management level of the executive agency; and one member appointed by the Civil Service Commission from outside the Federa Government who has experience in the labor-management field and possesses a reputation for impartiality.

The makeup of such a panel insures that the public will be represented, that the employee or union will be represented, and that the management level of the agency will be represented. Also, the representation of both the employee or union side and the management side will be agency oriented, so that problems and conditions peculiar to the agency will be recognized and taken into consideration. This is one of the most significant points of my bill. Such a panel could be established in any Federal agency—a factor not possible under some proposals to create such a body for only one agency—but at the same time it would not be completely divorced from that particular agency.

My bill also makes appropriate exceptions in the case of Federal agencies having to do with intelligence, investigative, or security functions, and in the case of the office of the President.

Mr. President, I believe that the settlement of employee grievances and the establishment of clearly outlined procedures which are fair to employees as well as management and the public will go a long way toward averting future Federal employee-management crises. I believe that if legislation such as that embodied in my bill were acted upon favorably, it would represent a great—and long overdue—step toward improving the employee-management climate of our Federal Government.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1749) to provide for improved employee-management relations in the Federal service, and for other purposes, introduced by Mr. MILLER, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 1749

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Employee Labor-Management Act."

LABOR-MANAGEMENT RELATIONS

SEC. 2. (a) Chapter 71 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER III—LABOR-MANAGEMENT RELATIONS

"§ 7161. Policy.

"(a) Due to the conflict between the right to strike on the part of employees and the public interest that governmental services not be interrupted, it is essential that Federal employees be provided a prompt and fair method of settling their grievances.

"(b) The right of employees of the Government of the United States and the officers or representatives of a union or organization of such employees to present grievances without restraint, coercion, interference, intimidation, or reprisal is recognized and encouraged. Violation of this right on the part of any administrative official is contrary to the public interest and shall be cause for appropriate disciplinary action on the part of the executive agency concerned.

"§ 7162. Definitions.

"For the purposes of this subchapter—

"(1) 'grievance' means a complaint by any employee in the executive branch of the Government of the United States against the management of an executive agency, concerning the effect, interpretation, application, claim of breach, or violation of any law, rule, or regulation governing conditions of employment, which the head of an executive agency has the authority to correct;

"(2) 'union or organization of Government employees' means any national organization or its affiliates made up in whole or in part of employees of the Government of the United States, in which the employees participate and pay dues, and which has as one of its basic and central purposes dealing with the management of an executive agency concerning conditions of employment, but shall not include any organization whose basic purpose is solely social, fraternal, or limited to a single special interest objective which is only incidentally related to conditions of employment; and shall not include any organization which, by ritualistic practice, constitutional or bylaws prescription, by tacit agreement among its members or otherwise, denies membership because of race, color, religion, national origin, preferential or nonpreferential civil service status, or any organization sponsored by a department, agency, activity, organization, or facility of the Government of the United States; and

"(3) 'conditions of employment' shall include, but not be limited to, working conditions, work schedules, work procedures, automation, safety, transfers, job classifications and assignments, details, promotional procedures, demotions, rates of pay, reassignments, reduction in force, hours of work, disciplinary actions, and such other matters as may be specified by law, rule, or regulation.

"§ 7163. Labor-management programs.

"(a) The Secretary of Labor, with the approval of the Civil Service Commission, is authorized and directed to promulgate rules and regulations not inconsistent with the provisions of this subchapter to be followed by executive agencies in developing and administering labor-management programs.

"(b) Upon a finding by the Commission that an executive agency has failed to develop an adequate labor-management program or has permitted administrative violations of such program to occur, the Secretary of Labor shall, with the approval of the Commission, develop an adequate labor-management program and/or administer such a program in such agency until satisfactory evidence is produced by the agency that the deficiency has been eliminated.

"§ 7164. Fair labor practices.

"The Department of Labor, with the approval of the Civil Service Commission shall prepare (1) standards of conduct for unions or organizations of Government employees, and (2) a code of fair labor practices in employee-management relations in the Federal service appropriate to assist in securing the uniform and effective implementation of the policies, rights, and responsibilities described in this subchapter.

"§ 7165. Grievance procedure.

"In the case of disputes resulting from unresolved grievances, or from disagreement between a union or organization of Government employees and an executive agency over the policies enumerated in section 7161 (b) of this title, the following procedure shall be followed:

"(1) Any party may invoke the services of the Federal Mediation and Conciliation Service which shall immediatley assign one or more of its mediators to work with the parties using every effort to bring the parties to an agreement.

"(2) If such efforts to bring about an amicable settlement through mediation and conciliation are unsuccessful, then a party to the controversy is authorized to invoke the services of a labor-management relations panel, hereinafter provided for.

"(3) (A) The Civil Service Commission shall appoint a labor-management relations panel for each dispute which has not been settled through mediation and conciliation. The panel shall consist of the following three members:

"(i) one member nominated by the union or organization of Government employees representing the employee or employees involved in the grievance, or, if an employee is not a member of a union or organization of Government employees, one member nominated by the employee:

"(ii) one member representing the management level of the executive agency; and

"(iii) one member who is not receiving compensation from the Government of the United States and who has experience in the labor-management field and possesses a reputation for impartiality.

"(B) Each member of the panel who is appointed from private life shall receive $100 for each day (including travel-time) during which he is engaged in the actual performance of his duties as a member of the panel. A member of the panel who is an officer or employee of the Government of the United States shall receive no additional compensation. All members of the panel shall be reimbursed for travel, subsistence, and the other necessary expenses incurred by them in the performance of such duties.

"(4) After its services have been invoked, the panel shall assist the parties in arriving at a settlement through whatever voluntary methods and procedures it may consider to be appropriate.

"(5) If the panel is unable to assist the parties to arrive at a settlement through other means, it shall promptly hold hearings at which both parties shall be given a full opportunity to present their case.

"(6) After the hearings have concluded, the panel shall, as soon as possible, render its decision in writing on the matters in dispute. This decision shall be promptly served upon the parties to the proceeding and shall be final and binding upon all parties.

"(7) Employees of the Government of the United States who participate on behalf of any party in any phase of the panel proceeding shall be free to do so without suffering any loss in pay. All such employees shall be free from restraint, coercion, interference, intimidation, or reprisal for their participation.

"§ 7166. Exemptions.

"(a) This subchapter shall not apply to—

"(1) the Federal Bureau of Investigation;

"(2) the Central Intelligence Agency;

"(3) the office of the President of the United States; or

"(4) an executive agency, or to an office, bureau, or entity within such agency, primarily performing intelligence, investigative, or security functions, if the head of the executive agency determines that the provisions of this subchapter cannot be applied in a manner consistent with national security requirements and considerations.

"(b) When the head of an executive agency deems it necessary to the effective performance of the agency's duties, and subject to such conditions as he may prescribe, he may suspend any provision of this subchapter with respect to any agency installation or activity which is located outside of the United States."

(b) The analysis of chapter 71 of title 5, United States Code, immediately preceding section 7101, is amended by adding at the end thereof the following:

"SUBCHAPTER III—LABOR-MANAGEMENT RELATIONS

"Sec.
"7161. Policy.
"7162. Definitions.
"7163. Labor-management programs.
"7164. Fair labor practices.
"7165. Grievance procedure.
"7166. Exemptions.".

S. 1750—INTRODUCTION OF A BILL TO ASSIST SMALL BUSINESS FIRMS IN COMPLYING WITH FEDERAL DEADLINES

Mr. BIBLE. Mr. President, on behalf of myself and other Senators, I am introducing today, for appropriate reference, a resolution and a bill dealing with problems of small business in complying with deadlines prescribed in Federal statutes. I ask that the text of both measures be reprinted at the conclusion of my remarks.

Great legislative strides have been made in assuring the Nation's consumer that meats and poultry offered in the marketplace will be wholesome and untainted. Major advances have been made in the critical battle against air and water pollution.

All of this is good, and the Congress must continue its efforts to assure necessary protection for the health and safety of the consuming public.

At the same time, however, another aspect of this type of legislation demands our very careful attention. I refer to the impact of such enactments on the businessman—particularly America's small businessman. The Wholesome Meat Act, the Wholesome Poultry Products Act, the Air Quality Act, and the Water Quality Act, require thousands of small businesses to comply with stricter Federal standards that often require costly modifications of their plant, equipment or procedures within fixed periods of time.

The size of the financial investment required to comply with new standards may be substantial, and may present an insurmountable burden in the case of small businesses. The need for prompt financing may arise at a time—such as now—when interest rates are at record heights, and government loan-assistance programs are hard pressed and unable to meet the need.

As a result, a great many small firms face hardship, and are threatened with serious economic injury or even extinction because of their inability to finance the required improvements within the deadlines fixed by law.

The resolution I introduce today recognizes the seriousness of this problem. It calls upon the Small Business Administration to conduct a pilot study of the needs for capital being experienced by one industry known to be of a predominant small business character—meat processing—which is under the December 15, 1969, deadline for compliance with Federal standards established in the Wholesome Meat Act of 1967.

The bill I am offering today, will, if financial need is demonstrated, permit the Small Business Administration, under proper safeguards established by regulation, to make emergency deadline-compliance loans to small businesses at slightly lower interest rates and for longer terms than might otherwise be available. The purpose would be to assist small business to finance capital and operating improvements needed to comply with federally imposed deadlines.

Mr. President, our consumer protection legislation was not enacted with a view to forcing honest, hardworking, long-established small business concerns to the wall or out of business. Our national policy is to encourage small enterprise, not participate in its ruin.

The measures I introduce today address themselves to difficulties flowing from prior congressional enactments. There is reason to believe the pilot study called for by this resolution will show that many small businesses are in dire need of help. I therefore urge prompt completion of the study; and then early and favorable action to authorize the deadline-compliance loans proposed by my bill, or depending on the results of the study, other suitable emergency relief.

BACKGROUND

Although we in Congress are familiar with the health and safety legislation, I have described, the Senator from Florida (Mr. HOLLAND) has given this body evidence that many thousands of businesses do not yet realize the full consequences of these laws.[1] Pursuant to the Wholesome Meat Act, for instance, the U.S. Department of Agriculture must expand the scope of Federal inspection from the approximately 1,500 large-scale interstate firms now covered, to almost 15,000 processors throughout the country, the great majority of which are small businesses. It must do this before the 2-year deadline, which expires on December 15, 1969.

For those not familiar with the requirements of Federal meat inspection, I might point out that the Handbook of Federal Standards consists of 73 pages of detailed specifications, diagrams, tables, and appendixes. The chapter headings cover such topics as plans and specifications that must accompany application for inspection; water supply, plant drainage, and sewage disposal system; plant construction; lighting, ventilation, and refrigeration; equipment, design and installation; and so forth.

The newspaper report quoted in my remarks of May 1968 provides a graphic description of the problems which compliance may pose for small meat-processing firms.[2] I ask that my prior statement be inserted in the RECORD for the information of all concerned. That article concluded:

To meat dealers, sanitation means money.

The more recent commentary of the Secretary to the Wisconsin Department of Agriculture, is even more specific as

[1] The Wholesome Meat Act, remarks on the Senate floor by Senator HOLLAND, daily CONGRESSIONAL RECORD, Mar. 4, 1969, page S2295.

[2] "Meats Plants Here Face U.S. Upgrading", *New York Times*, March 4, 1968, front page of second section.

to the scope of this problem for small meat-processing firms:[3]

As time goes on pressure will be applied continually to improve and upgrade physical and structural facilities in increasingly stricter compliance with federal law. This could conceivably mean major alterations of small plants with respect to such things as eleven-foot heading rails, sixteen-foot bleeding rails, doors of specified widths if used for different types of office, totally refrigerated facilities, etc. . .

The federal program is designed for larger operations which can justify full-time inspectors. Limited funds and personnel, coupled with the supremacy authority and direction given to the federal agency by the Wholesome Meat Act, could conceivably force thousands of small plants out of business. Many small slaughtering plants would not be reached for inspection due to low volume, which would preclude assignment of an inspector to the plant. The limited size of such plants makes it impossible to step up the rate of slaughter or processing to a point where an inspector could be profitably assigned.

A further complication, which I know has arisen in some of the Western States such as Nevada, relates to custom slaughtering facilities:

A small plant operator, who heretofore did custom slaughtering and processing and augmented it through a small retail operation, may not, under the provisions of the new federal law, engage in any sale of meat whatsoever—if his business is to be classed as a custom plant. Custom slaughtering and processing alone will not sustain a business. The alternative under the federal Wholesome Meat Act is to have completely separated facilities which mean dual facilities, something very few operators could afford.

A leading small business organization has informed us that—

The Department of Agriculture is serving notice on the nation's 7000 locker-freezer plants that they have to abide by the Wholesome Meat Act regulations. More than half of these plants are in towns of 2,000 or under . . . (and) two-thirds of the operators have an annual volume of less than $50,000.[4]

Yet, to construct the two separate plants—one to slaughter animals for the farmers and the other to sell meat to local citizens—is estimated to cost from $80,000 to $120,000.[5]

It is well to bear in mind also that the owners of these small firms are important to their areas—not only as employers, but as leaders in the many local associations and institutions which are at the heart of community life. The closing of such business would thus represent far more than an economic loss.

Already we know 9 meat-processing plants have been shut down, and more than 300 others have been warned that they do not meet the new Federal standards.[6]

The future impact of new Federal standards will, of course, vary somewhat by State. At the time the Wholesome Meat Act was passed, for example, 28 States had meat inspection systems. However, nearly one-half of the States did not have any, and even the existing systems vary from the strict Federal standards. Most State inspectors visit plants only periodically; the U.S. program calls for daily or continuous inspection. So it appears that most of the 13½ thousand small meat-processing firms may have major adjustments to make by December 15 of this year.

According to this preliminary information, we know that although the Wholesome Meat Act may be administered with the best will in the world, compliance will often require outlays of capital for construction, installation of major new equipment, or changes in procedures. This may involve a considerable amount of money, especially when it must be raised upon short notice, and especially relative to the size of a small business.

DESCRIPTION OF THE RESOLUTION

The resolution which we introduce today is similar to Senate Resolution 290, introduced during the 90th Congress.[7]

Although Senate Resolution 290 was the subject of favorable comment by both the U.S. Department of Agriculture and the Small Business Administration, there was not sufficient time to have the measure reported in the 90th Congress.

Following the introduction of Senate Resolution 290, the Small Business Administration responded to the situation by undertaking to design the study contemplated by the resolution. I am pleased to inform the Senate that SBA is ready to proceed with gathering the facts and figures. We are advised that the reintroduction and progress of the resolution will be helpful in securing the kind of information needed to inform our judgments in this matter.

We hope that SBA will be able to discover and assess the type and extent of the improvements necessary pursuant to the Wholesome Meat Act, as an example of the type of Federal deadline statute that concerns us. We hope the study will go on to show the nature of the financing called for, the degree to which these needs can be met by internal sources and are reasonably obtainable through commercial banking sources, and any excess requirements which do not appear to fall within the available combined resources of the private sector and present SBA-assisted financing. We want to have the agency's specialized recommendations on what may ultimately be needed, but we also want to look at the fundamental statistics so that we may be able to exercise independent congressional decisions.

The terms of our resolution call for a report as soon as practicable, and in no event later than 60 days after the resolution's approval. Since SBA is ready to proceed, and I commend the agency upon its initiative in preparing the study to this point, the approximately 6 months needed to perform this work should nearly coincide with the 60-day provision, which would take effect after the resolution is reported from committee and approved by the Senate.

The resulting information will give Congress, the Small Business Administration, and other Federal and State agencies a sounder factual basis for determining what legislative and/or administrative actions may then be appropriate. The authors of the resolution believe that the study would be most helpful to all concerned.

We are not asking SBA to extend this study beyond the meat industry because the agency's resources are limited, and the situation in this small-business industry should be indicative of the general problem. However, we hope that other industries will be encouraged to prepare their case, so that the views of small businesses in all lines of commerce which may be under Federal deadlines can be considered and weighed at any hearings which may be held on this legislation.

In the event that the study or the testimony presented by other small firms or their associations reveals that there are gaps which cannot be filled by existing institutions and under current financial and budget stringencies, I hope the Congress will proceed with the consideration of our bill, which is designed to afford one possible avenue of relief.

DESCRIPTION OF THE BILL

This bill provides for what might be called deadline-compliance loans upon terms and conditions that the small firms seeking to bring their facilities within the law will be able to live with.

As these deadlines approach, law-enforcement agencies such as the Meat Inspection Division of the Department of Agriculture, which have no particular competence in small business matters, nor any administrative procedures through which a firm slated for closing could appeal, would be in the position of closing down an undetermined number of small firms and depriving the owners and employees of their livelihood. If thousands or hundreds of these firms were suddenly faced with going out of business, conditions in the industry would be chaotic.

Mr. President, all of us welcome an improvement in the quality of the food products destined for the tables of people throughout the country, as we do safeguards on the quality of our air and water. The congressional legislation which I described represents substantial advances for the American people who will now be well protected in their purchases of meat and other products and can breathe a little easier about their environment. However, all of this desirable new cleanliness should not result in an epidemic of business closings.

The Federal Government has created a real dilemma for many thousands of small businessmen and it seems to me only justice that the Federal Government should provide some avenue of relief.

Our bill is designed to afford effective relief by providing for what might be

[3] See "Implications of the Wholesome Meat Act" by D. N. McDowell, Winter 1968 Quarterly edition of "State Government" Magazine, reprinted *Daily Congressional Record*, March 4, 1969, at Page S. 2296.

[4] Release of December 9, 1968 on consequences of the Wholesome Meat Act by the National Federation of Independent Business, Inc.

[5] Release, loc. cit., Page two.

[6] See "Meat Plants Closed," *Congressional Quarterly*, June 21, 1968, p. 1511.

[7] "Senate Resolution 290—Resolution to assist small meat packing companies in complying with new federal inspection requirements." May 17, 1968, *Daily Congressional Record*, p. 65785. Accompanying remarks of Senator Bible reprinted following this statement.